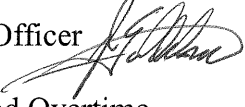


**CITY OF SAN DIEGO
M E M O R A N D U M**

DATE: May 25, 2006
TO: Council President Pro Tem, Anthony Young
FROM: Jay M. Goldstone, Chief Financial Officer 
SUBJECT: Fire-Rescue Department Staffing and Overtime

In your memorandum dated May 10, 2006, you requested additional information about the Fire-Rescue Department's fiscal year 2007 budget. The following should address your request. If you need additional information, feel free to contact me.

QUESTION: What will it truly cost to address the staffing and overtime issues of the Department? Can the Department's budget be increased or can the vacancy factor be reduced?

RESPONSE: Structural staffing and overtime issues for Fire-Rescue have been adequately addressed in the Mayor's Fiscal Year 2007 Proposed Budget. A vacancy factor of three percent was applied to the Department in anticipation of savings from normal turnover and from positions that the Department may not be able to fill in a timely fashion during the year. In addition, the vacancy factor was further increased to address the Department's practice of purposefully holding positions vacant and covering these vacancies with overtime. These savings are offset by a like dollar increase to the Department's overtime budget. Staff will be monitoring the actual vacancy rate throughout the year to determine if the rate that was applied in budgeting was too aggressive. If, for example, it is determined that the actual vacancy factor is lower in Fire-Rescue than what was assumed during the budget process, staff will return to City Council to request adjustments to the budget so that there is adequate funding to support budgeted positions. The vacancy factor will be monitored citywide in all departments.

Cc: Mayor Jerry Sanders
Council President and Councilmembers
Chief Operating Officer Ronne Froman
Independent Budget Analyst Andrea Tevlin
Financial Management Director Mary Lewis